

**IN THE UNITED STATES PATENT & TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the matter of Trademark Application Serial No. 76/362,977
Published in the Official Gazette of June 3, 2003 on page TM 441
International Class: 030
Filed: January 24, 2002
Mark: ALPINE CONFECTIONS

WORLD CONFECTIONS, INC. Opposer,	Opposition No. 91158237
vs.	
KENCRAFT, INC. Applicant.	NOTICE OF APPEAL 15 U.S.C. § 1071(a) 37 C.F.R. § 2.145

ATTENTION: Director of the U.S. Patent and Trademark Office
c/o General Counsel
P.O. Box 15667
Arlington, VA 22215

Applicant, Kencraft, Inc., hereby appeals the January 25, 2006 decision of the United States Trademark Trial and Appeal Board granting summary judgment in favor of Opposer. A copy of the January 25, 2006 decision is attached as Attachment 1. 37 C.F.R. § 2.145.

Applicant appeals this decision to the United States Court of Appeals for the Federal Circuit. 15 U.S.C. § 1071(a).




02-13-2006

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A certificate of mailing and proof of service upon Opposer accompany this Notice of Appeal.

DATED this 6th day of February, 2006.

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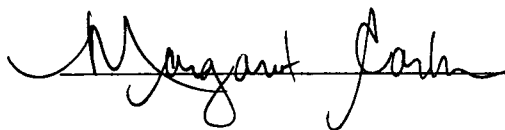
CERTIFICATE OF MAILING AND PROOF OF SERVICE

I hereby certify that on this 6th day of February, 2006, the original NOTICE OF APPEAL was mailed by U.S. Mail, first class mail postage prepaid to:

Director of the U.S. Patent and Trademark Office
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FSW

**THIS OPINION IS NOT CITABLE
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UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
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Mailed: January 25, 2006

Opposition No. 91158237

World Confections, Inc.

v.

Kencraft, Inc.

Before Walters, Bucher and Walsh, Administrative Trademark
Judges.

By the Board:

Applicant, Kencraft, Inc. ("Kencraft"), filed a trademark application for the mark ALPINE CONFECTIONS for "candy" on January 24, 2002.¹ Kencraft filed the application on the basis of its bona fide intent to use the mark in commerce. Opposer, World Confections, Inc. ("WCI"), filed a notice of opposition against the application, alleging use since 1997 of the mark ALPINE CONFECTIONS on a fruit-flavored gummi candy, and alleging a likelihood of confusion between the marks. Kencraft answered the complaint and raised the affirmative defense of abandonment, contending that WCI "failed for the relevant period of time

¹ Ser. No. 76362977.

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to use the ALPINE CONFECTIONS mark resulting in abandonment of the mark." Answer, p. 2.

This case now comes up for consideration of WCI's motion for summary judgment (filed July 19, 2004) on the ground that there is a likelihood of confusion between the marks at issue. Kenkraft's motion (filed August 9, 2004) for continued discovery under Fed. R. Civ. P. 56(f) was granted, and Kenkraft filed its response to WCI's motion for summary judgment on June 20, 2005. Kenkraft's consented motions (filed March 21, 2005, June 3, 2005 and June 13, 2005) to extend its time to file its response to WCI's motion for summary judgment are hereby granted. We have also considered WCI's reply brief in support of its motion for summary judgment because it clarifies the issues before us. See Trademark Rule 2.127(a).

Summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute, thus leaving the case to be resolved as a matter of law. Fed. R. Civ. P. 56(c). A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. See *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992); *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992). WCI, as the party moving for summary

judgment on its pleaded claim of likelihood of confusion, has the initial burden of demonstrating the absence of any genuine issue of material fact as to that claim. *Celotex Corp. v. Catrett*, 477 U.S. 317; 106 S.Ct. 2548, 2554, 91 L.Ed.2d 265 (1986); *Sweats Fashions Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987).

WCI's summary judgment burden on Kenkraft's affirmative defense of abandonment may be met by showing "that there is an absence of evidence to support the nonmoving party's case." *Celotex Corp.*, 477 U.S. at 325; *Kellogg v. Pack'Em Enterprises Inc.*, 951 F.2d 330; 21 USPQ2d 1142 (Fed. Cir. 1991). Once WCI makes this showing, because the ultimate burden of proof thereon rests on Kenkraft, Kenkraft must make a sufficient showing on its defense. Judgment as a matter of law may be entered in favor of WCI if Kenkraft fails on any essential element of its defense. See *Celotex Corp.*, 477 U.S. at 322-323.

Abandonment

One of WCI's predecessor-in-interest companies, Alpine USA Ltd., started using the mark ALPINE CONFECTIONS in 1997. Alpine USA Ltd. merged with World Candies, Inc., a sister corporation, on January 24, 2002. The consolidation resulted in the formation of opposer WCI.

Kencraft argues that Alpine USA Ltd.'s use of the words ALPINE CONFECTIONS was only as a trade name, and that Alpine

USA Ltd. abandoned the trade name when it consolidated with World Candies, Inc. Alternatively, Kenkraft argues that while Alpine USA Ltd. or World Candies, Inc. may have used the words as a trademark prior to 2002, such use was "suspended" following the consolidation and not resumed (if at all) until after Kenkraft filed its own application for the mark. WCI's intent not to resume use of the mark at the time it "suspended" use is allegedly shown by its decision to abandon its pending trademark application for ALPINE CONFECTIONS in May 2001;² its failure to respond to Kenkraft's demand letter in December 2001;³ and its decision, in 2003, to replace the ALPINE CONFECTIONS mark with the mark ALPINE BRAND.

In response, WCI argues that its predecessor, Alpine USA Ltd., first used the wording ALPINE CONFECTIONS as a trademark on product packaging in 1997; that Alpine USA Ltd.'s "d/b/a" was "Alpine Confections;" that the consolidation of World Candies, Inc. and Alpine USA Ltd. into WCI did not affect the company's use of the trademark but only of the trade name, and that WCI continued using the

² Alpine USA Ltd. filed trademark application Ser. No. 76007736 with the USPTO in 2000. Office records show that the application became abandoned on May 2, 2001.

³ On October 30, 2001, Kenkraft's president wrote to World Candies, Inc., demanding that World Candies, Inc. cease using the ALPINE CONFECTIONS mark. Kenkraft's demand was made on the basis of Kenkraft's alleged long-standing presence in Alpine, Utah and its purported reputation as "the candy factory in Alpine." World Candies, Inc. did not respond to Kenkraft's demand letter.

mark on product packaging after the consolidation, and up to the present, without any gap in usage. WCI admits that it started using the mark ALPINE BRAND on product packaging in 2003 with the intent, at that time, to changeover from ALPINE CONFECTIONS, but WCI asserts that it has never discontinued using ALPINE CONFECTIONS on product packaging, with the result being that currently, both marks are in use.

WCI has submitted three declarations of Matthew Cohen, its president, the first of which was attached to WCI's motion for summary judgment in support of its contention that WCI has priority of use and that there is a likelihood of confusion between the marks. The second declaration attests to an instance of alleged actual confusion. The third declaration, accompanying WCI's reply brief, contains persuasive evidence regarding WCI's use of the mark ALPINE CONFECTIONS.

Attached thereto are several exhibits showing WCI's continuous use of the mark ALPINE CONFECTIONS from 1997 to 2004, namely:

- Exh. A - Representative pages from WCI's "Booking Report" and "Brokers Product Reports" books. These list, by year, products sold, their price, cost and net value. The records are dated from December 2000 through December 2004, and include sheets for each of the four years. Mr. Cohen attests that these records "evidence sales during the period 2000-2004 of WCI gummi candy bearing the mark ALPINE CONFECTIONS." *Second Supplementary Declaration Of Matthew Cohen*, p. 2. While most of the listings use generic titles to describe the products, in the December 31, 2002 report there are line item listings for "Alpine box Xmas" and

"12/7oz Alpine D." The December 30, 2003 report includes a listing for "Alpine gummi Fr."

- Exh. B - This exhibit is divided into five parts:
 - Copies of product packaging from 2003 and 2005 showing use of the mark ALPINE CONFECTIONS for each year;
 - Copy of an advertisement displaying the mark that WCI placed in the July-Aug 2001 edition of *Professional Candy Buyer*, a trade publication;
 - Copy of a U.S. copyright application, filed in 2002, for eleven product packaging designs that display the mark, indicating the "date of first publication" of the designs as June 30, 1997; and
 - Copy of a letter dated 1997 from WCI's candy supplier regarding the designs to be used on the product packaging. The letter is accompanied by copies of six prototype designs and the mark appears on the prototypes.
- Exh. C - Confidential copies of printouts for each year from 1997 to 2004, showing total quarterly sales figures for all WCI candy for the years 1997 through the third quarter of 2004. During his deposition, Mr. Cohen was shown copies of the printouts and asked whether the printouts for the years 1997 through 2002 "represent the annual sales of products bearing a name including the word 'Alpine'." *Cohen deposition*, p. 128. Mr. Cohen answered affirmatively. Mr. Cohen was asked to estimate the percentage of sales in 2002 "attributed to products having a name including the word 'Alpine,'" to which he responded, "about 25 percent in the rough glance." *Cohen deposition*, p. 128.
- Exh. D - Copies of portions of Cohen's deposition transcript, including page 128.

On the basis of the evidence presented, we need not reach whether there are genuine issues of material fact as to the question if, had WCI discontinued use, it would have done so with the intent not to resume use. The record

establishes that Alpine USA Ltd. started using the mark ALPINE CONFECTIONS for gummi candy in 1997 and that WCI continued using the mark following the consolidation of World Candies, Inc. with Alpine USA Ltd. Beginning sometime in 2003, WCI did start using the mark ALPINE BRAND on some of its gummi candy wrappers (which prior thereto had been sold under the mark ALPINE CONFECTIONS), but WCI has not stopped using the mark ALPINE CONFECTIONS on other gummi candy packaging. While WCI typically uses the mark ALPINE CONFECTIONS in conjunction with a design element, we do not agree with Kenkraft that use of the words in this context is a mere trade name use or that it does not evidence use of the words alone as a mark.

Accordingly, there is no genuine issue of material fact regarding WCI's continuous use of its mark ALPINE CONFECTIONS in connection with fruit-flavored gummi candy for the identified period and, therefore, Kenkraft's affirmative defense of abandonment must fail. Inasmuch as Kenkraft bears the ultimate burden of proof at trial and will be unable to sustain that burden, WCI is entitled to summary judgment as a matter of law on Kenkraft's affirmative defense of abandonment. See *Celotex Corp. v. Catrett*, 477 U.S. at 323-325.

Similarly, WCI has established there is no genuine issue of material fact that WCI began use of its mark in

connection with fruit-flavored gummi candy in 1997, long prior to the 2002 filing date of the intent-to-use application. Thus, WCI has established its priority as a matter of law.

We next turn to a consideration of WCI's claim of likelihood of confusion.

Likelihood Of Confusion

In determining whether there is any genuine issue of material fact relating to the question of likelihood of confusion, the Board must consider all of the probative facts in evidence which are relevant to the factors bearing on likelihood of confusion, as identified in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). As noted in the *du Pont* decision itself, various factors, from case to case, may play a dominant role. *Id.*, 476 F.2d at 1361, 177 USPQ at 567. Those factors as to which we have probative evidence are discussed below.

After a careful review of the record in this case, as discussed below, we find that there are no genuine issues of material fact relating to those factors.

Similarity of the Marks and Goods

There is no question that the marks are identical.

There is also no question that the parties' goods overlap. WCI's fruit-flavored gummi candy is a type of

candy encompassed by the broad identification of goods in Kenkraft's application, i.e., "candy."⁴

Trade Channels of Distribution and Class of Purchasers

Registrability must be determined "on the basis of the identification of goods set forth in the application regardless of what the record may reveal as to the particular nature of an applicant's goods, the particular channels of trade or the class of purchasers to which the sales of the goods are directed." *Octocom Sys., Inc. v. Houston Computer Serv., Inc.*, 918 F.2d 937, 942, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990). Neither Kenkraft's application nor the evidence regarding WCI's use of its mark indicate any limitations and thus we must consider the trade channels to be all normal channels for the type of goods identified and the purchasers to be the usual purchasers for such goods. In view of the fact that the goods are overlapping, there is no genuine issue of material fact that the channels of trade and class of purchasers of the parties' goods are the same.

Moreover, the evidence clearly establishes this fact. WCI's Interrogatory No. 7 asked Kenkraft to: "Describe all

⁴ Kenkraft's offer to refrain from selling gummi candy under the mark ALPINE CONFECTIONS is irrelevant because no amendment to the identification of goods was made by Kenkraft and, further, the proffered limitation on the identification of goods would be unlikely to avoid a likelihood of confusion. Cf. *Eurostar Inc. v. "Euro-Star" Reitmoden GmbH & Co. KG*, 34 USPQ2d 1266 (TTAB 1994).

types of commercial establishments in (which) Applicant's Goods bearing Applicant's Mark are sold and/or are intended to be sold." Kenkraft responded: "Retail stores."

WCI also sells to retail stores. Mr. Cohen testified that WCI sells to "grocery accounts," "discounters such as K-Mart," "dollar stores," and "99 cent stores." Cohen deposition, p. 45.

Actual Confusion

Evidence of actual confusion is normally very persuasive evidence of likelihood of confusion. *Exxon Corp. v. Texas Motor Exchange, Inc.*, 628 F.2d 500, 208 USPQ 384, 389 (5th Cir. 1980) ("The best evidence of likelihood of confusion is provided by evidence of actual confusion"). WCI has shown the existence of actual confusion among members of the candy trade with respect to the identity of the parties. Attached to Mr. Cohen's first declaration is an article that appeared in the May-June 2004 edition of the magazine, *Professional Candy Buyer*, entitled "Alpine Acquires Fannie May, Fannie Farmer Brands." The article reports on the acquisition by Kenkraft's parent company of the Fannie May candy company, but mistakenly includes a representation of WCI's mark ALPINE CONFECTIONS and Design to identify Kenkraft.

In addition, Mr. Cohen's second declaration verifies a letter WCI received by a third-party, soliciting funds as a

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direct result of having read the May-June 2004 article and mistaking WCI for Kencraft.

While there is evidence of specific instances of actual confusion, there is no evidence of the extent to which there have been opportunities for actual confusion. However, in view of facts establishing the identity of the marks, goods, channels of trade and class of purchasers in this case, actual confusion, whether or not *de minimis*, is not a fact material to our determination of likelihood of confusion.

Summary

We have found no genuine issues of material fact regarding WCI's continuous use of its mark since 1997, its priority of use herein, and that the facts material to a determination of likelihood of confusion are established and lead us to conclude that a likelihood of confusion exists.

In view of the above, WCI's motion for summary judgment on the issue of likelihood of confusion under Section 2(d) of the Trademark Act is granted. The affirmative defense of abandonment having failed, judgment is hereby entered against Kencraft, the opposition is sustained, and registration to Kencraft is refused.

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